



CITY OF SAN DIEGO
COUNCILMEMBER SHERRI S. LIGHTNER
DISTRICT ONE

MEMORANDUM

DATE: December 8, 2009

TO: Councilmember Anthony Young, District 4

FROM: Councilmember Sherri S. Lightner, District 1

A handwritten signature in blue ink, reading "Sherri S. Lightner".

SUBJECT: FY2011 Budget and FY2010 Budget Amendments

The City's budget over the next 18 months must maintain core public safety and neighborhood services while eliminating costs, increasing cost-recovery, and empowering citizens. My constituents have spoken with a clear voice through the San Diego Speaks meeting series, at our District One town hall budget meeting, in emails, calls, and conversations in the community. Our residents have all felt the impact of previous cuts to services during the last several years. **We must focus on preventing further cuts to public safety and neighborhood services. Where cuts have been made as a last resort, we must work to find ways to restore those services as quickly as possible.**

Focus on Restoring Essential Services

The following reductions in services, which have been proposed by the Mayor, are particularly painful for the residents of District One. These cuts must only be made as a last resort. If the reductions are made, the City must go to great lengths to quickly reinstate the services. Where possible, I have included suggestions for potential approaches.

Fire-Rescue: In District One, rolling "brownouts" are proposed that would affect Station 35 and Station 40. Station 35 responds to 3,580 annual incidents, one of the busiest in the City. The City must begin discussions with University of California, San Diego (UCSD) about contributing part or all of the approximately \$1.4 million needed to reinstate full service at Station 35, which protects the UCSD campus and a large number of San Diego's high tech and biotech companies.

Lifeguard Services: It has been proposed that lifeguard services at Torrey Pines Beach be eliminated during non-peak months and reduced during the summer. The remote nature of this beach makes lifesaving activities here essential. At the same time, this beach has a history of illegal and illicit activity, which makes enforcement activity a necessity.

At Torrey Pines Beach, the City owns two parcels totaling 500 yards on a beach that is 3.25 miles long, and yet in the past the City has provided lifeguard protection to the entire beach at no cost to the State, which has jurisdiction over the remainder of the beach. The City must begin discussions with the State on an agreement to provide mutual aid or cost recovery for lifeguard service along the State's portions of the beach. In the meantime, SDPD or Park & Recreation Rangers should be enlisted to regularly patrol this beach.

Another proposal is to cut the senior/lead lifeguard position for Windansea beach. Although hourly lifeguards will still patrol this beach, they generally do not participate in law enforcement activity. Illegal use of alcohol, especially by minors, along with dangerous surf conditions and the high volume of users all create challenges at this beach. A regular patrol by SDPD or Park & Recreation Rangers could mitigate some of the danger if it is not possible to retain the senior/lead lifeguard position.

Lifeguard Services is currently pursuing sponsorships for vehicles, which would come at an estimated savings to the department of \$400,000 per year. Any resulting savings from vehicle sponsorships, or any other revenue generating activities, should be returned to this department to restore any services cut during this budget process.

Library: None of the proposed cuts to the Library Department are welcome, but the proposed reduction of library hours from 41 hours per week to 36 hours per week is a particular hardship. If private donations cannot be found to cover the cost of those hours (\$0.6 million in FY2010 and \$1.3 million in FY2011), the City must reconfigure library hours to the times during which people use them most, especially evenings and weekends. With careful planning, it may be possible to improve library services for the community.

Park & Recreation: Street medians maintained with Gas Tax funds, which are not also included in a Maintenance Assessment District, are slated to have their turf removed and be mulched over. Those without turf will no longer be maintained or will be maintained less frequently. Before making this dramatic change in the appearance of numerous neighborhoods, the Park & Recreation Department should approach community members, businesses, and other stakeholders to give them an opportunity to volunteer to provide or pay for maintenance. I would be glad to help with this effort in District 1.

The Mayor's office proposes cutting the annual payment for the San Dieguito River Valley Joint Powers Authority (SDRVJPA) in FY 10 and eliminating it for FY11. If this happens, the

viability of the SDRV Park will be threatened. The vast majority (over 99%) of the City land managed by the SDRV JPA belongs to the Water Department. I am waiting for a City Attorney opinion on whether this cost could be transferred from the Park & Recreation Department to the Water Department, since it primarily benefits Water Department land. The cost was borne by the Water Department in years prior to FY10.

Many of the Mayor's proposed reductions trigger a meet and confer process with labor unions. The timeline and results of these meetings will have a large effect on the impact of these cuts. Council should request a full list of proposed reductions that require meet and confer, as well as regular progress updates on the meet and confer process.

Revenue Generating and Cost Recovery Recommendations

Since it is infeasible to institute most of the following revenue generating and cost recovery recommendations before January 1, 2010, they should be instituted before the FY2011 budget is revisited in April 2010.

1. Implement cost recovery fines for false fire alarms. We have requested false alarm call numbers from the Fire-Rescue Department.
2. Ensure fines for false police alarms are cost recoverable.
3. Resume charging cost recovery fees for business tax collection, if appropriate.
4. Increase nightclub-overcrowding fines to make inspections cost recoverable.
5. Collect the delinquent Development Services Department deposit accounts revealed by the recent Auditor's report.
6. Institute a program to charge user or reservation fees for the fire rings on the beach. Another approach would be to allow the sponsorship of the fire rings on specific beaches. The La Jolla Micro-BID has expressed interest in the past in sponsoring the fire rings at La Jolla Shores.
7. Seek corporate sponsors for vehicles, uniforms, park maintenance, street medians, etc. There is an outstanding proposal for sponsorship of Lifeguard vehicles that could save the City \$400,000. In particular, any funds received by Lifeguard Services through this arrangement should be allocated only to Lifeguard staffing or support.
8. Assure that special events comply with their City permits. In particular, some event sponsors significantly understate attendance and impacts of a special event to minimize the cost. Fees should cover the costs to the City for the event and comply with the existing rate structure. This would require monitoring the events and enforcing the

permit conditions. It could be done as a pilot program with the idea of full cost recovery for the events.

9. Work with the State on an agreement to provide cost recovery for lifeguard service at Torrey Pines Beach.
10. Work with Scripps Institution of Oceanography and UCSD on cost recovery for lifeguard protection at Scripps Beach north of Scripps Pier, and possibly Blacks Beach.
11. Work with local education facilities and universities to identify ways in which they can contribute toward the City services (e.g. fire-rescue, etc.) they receive. This would include public and private institutions.

Additional Cost Reduction Recommendations

1. Eliminate Executive Performance Pay in keeping with the Mayor's proposal.
2. All computers that do not have a specific need for Microsoft Office should have it replaced with Open Office.
3. Expand code enforcement volunteer training and the Community Enhancement Volunteer Programs. This needs to include follow-up by the Neighborhood Code Compliance Department (NCCD) and enforcement action as appropriate.

Cost-Benefit and Risk Analysis

Detailed cost-benefit analysis must be done for all cost cutting and revenue generating measures, and future budget modification proposals must include this analysis. In many instances, it may be advantageous for the City to maintain positions or programs that generate enough revenue to cover their costs or generate a net gain. In other instances, programs designed to generate revenue may be found to cost the City more than the revenue they generate. These programs must be uncovered and eliminated.

If a reduction in service could increase the City's legal liability, that risk must be stated and translated into a projected dollar amount. Some of the currently proposed cuts, such as reductions to tree maintenance, which could result in root damage to sidewalk, have the potential to result in huge legal settlements against the City. With that in mind, Council should request a list of all outstanding notifications the City has received of problems with inadequate maintenance, especially related to sidewalks. Obviously the future cannot be predicted, but an actuarial risk analysis would be a wise addition to all future budget adjustment proposals.

Proceed Cautiously

I have not seen convincing evidence thus far that there is a compelling public benefit in approving the FY2011 budget now, as opposed to April. By waiting until April to approve the FY2011 budget, we will benefit from information about the effects of any January 1, 2010 reductions. This will also provide an opportunity for additional public input, as well as allow for a clearer picture of the City's fiscal situation.

I request that City departments be asked to provide Council with regular reports, starting well before April, on service level impacts from the changes implemented January 1, 2010. I would also like regular reports on cost recovery and revenue generation efforts, including those outlined above. Some revenue generating proposals require Council action in the form of new ordinances or resolutions. Hopefully an aggressive timeline can be used to assure these changes can occur in time to help our FY11 revenue projections.

cc: Honorable Mayor Sanders
Honorable Members of the City Council
Andrea Tevlin, Independent Budget Analyst
Jay Goldstone, Chief Operating Officer
Mary J. Lewis, Chief Financial Officer
Wally Hill, Assistant Chief Operating Officer
Nader Tirandazi, Financial Management Director
Department Directors